

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF TEXAS  
AUSTIN DIVISION**

<b>IN RE:</b>	§	
	§	<b>BANKRUPTCY NO. 16-10020-TMD</b>
<b>FPMC AUSTIN REALTY</b>	§	
<b>PARTNERS, LP,</b>	§	<b>CHAPTER 11 PROCEEDING</b>
	§	
<b>DEBTOR.</b>	§	

**DECLARATION AND PROFFER OF TESTIMONY OF MARY HATCHER IN  
SUPPORT OF APPLICATION FOR ALLOWANCE OF ADMINISTRATIVE  
EXPENSES INCURRED IN MAKING A SUBSTANTIAL CONTRIBUTION TO THIS  
CHAPTER 11 CASE PURSUANT TO 11 U.S.C. § 503(b)**

Neal Richards Group, LLC ("NRG") files this Declaration and Proffer of Testimony of Mary Hatcher in Support of the Application for Allowance of Administrative Expenses Incurred in Making a Substantial Contribution to this Chapter 11 Case Pursuant to 11 U.S.C. § 503(b) (the "Application") as follows:

Pursuant to 28 U.S.C. § 1746, I, Mary Hatcher, hereby declare as follows:

1. My name is Mary Hatcher. I am over the age of 18 years and I have never been convicted of a crime. I am fully competent to make this declaration. All the facts stated herein are within my personal knowledge and are true and correct.

2. I am the Chief Financial Officer and Chief Compliance Officer of glendonTodd Capital, LLC ("glendonTodd"). I assisted Todd Furniss in preparing financial calculations, reviewing documents, and negotiating the sale for the short term acute care hospital ("Hospital") and medical office building ("MOB"), together with a 445 stall adjacent parking garage ("Garage," and together with the Hospital and MOB, the "Property") along with various pieces of personal property.

3. I estimate that I spent hundreds of hours relating to the sale of the Property,

running financial calculations, assisting Todd Furniss as needed, reviewing documents, assisting in negotiations, attending meetings, and undertaking activities designed to benefit the bankruptcy estate.

4. I personally oversaw and reviewed the calculations in Exhibit 49 and Exhibit 50. These calculations accurately reflect the returns to CH Realty and other limited partners at different purchase prices.

5. I have further reviewed Harry Lake's May 17, 2016, e-mail describing the efforts of the glendonTodd team relating to the sale of the Property as an **"amazing accomplishment"** and further specifically describing the efforts of the glendonTodd team as follows:

- "Todd and Mary – **you two are machines and your leadership on this was amazing**"

Exhibit 40 and 42 (emphasis added).

6. I have further reviewed Harry Lake's May 17, 2016, Lake e-mail stating:

- "Thanks Todd, Mary and Scott for the **heroic effort** to get to this point. **The investors are going to be very excited once it is official.**"

Exhibit 41 (emphasis added).

7. I would agree with the assessment of Harry Lake that the effort to sell the Property for \$115,000,000.00 was an amazing accomplishment. I am further proud to be a part of the team at glendonTodd that was able to obtain a purchase price of \$115,000,000.00 resulting in all creditors being paid in full, all equity holders receiving their investment back plus all of the preferred return and a portion of the promote, and a cash-on-cash return of 1.47 times their investment. The result obtained in the sale of the Property was remarkable and extraordinary.

8. I further have reviewed the spreadsheets provided by CH Realty VI/MO Austin FPMC, LP ("CH Realty") at Exhibits 51 and 52 along with the testimony of Carlos Rainwater relating to CH Realty's valuation of the Property. From these documents and Carlos Rainwater's

testimony, [REDACTED]

[REDACTED]. I further understand that the fair value of CH Realty's equity as of December 31, 2015, appears to be \$7.5 million based on CH Realty's DCF tab of Exhibit 51. This represents an even more significant loss to CH Realty.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Signed this 21<sup>st</sup> day of September, 2016.

  
Mary Hatcher

---

**From:** Carlos Rainwater [<mailto:CRainwater@CrowHoldings.com>]  
**Sent:** Tuesday, May 17, 2016 5:45 PM  
**To:** Harry Lake <[hlake@koapartners.com](mailto:hlake@koapartners.com)>  
**Subject:** RE: Forest Park Medical Center, Austin, Texas

Great news. Did you see the closing stmt? What is left to distribute?

---

**From:** Harry Lake [<mailto:hlake@koapartners.com>]  
**Sent:** Tuesday, May 17, 2016 5:41 PM  
**To:** Carlos Rainwater <[CRainwater@CrowHoldings.com](mailto:CRainwater@CrowHoldings.com)>  
**Subject:** FW: Forest Park Medical Center, Austin, Texas

Fyi -

**Harry Lake**  
**CEO**  
**Koa Partners**  
4144 N Central Expy, Suite 510  
Dallas, TX 75204

Direct: (469) 802-0084  
Cell: (310) 691-3406  
Toll-Free: (855) KOA-2407

[hlake@koapartners.com](mailto:hlake@koapartners.com)

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**From:** Harry Lake

**Sent:** Tuesday, May 17, 2016 5:39 PM

**To:** 'Alan Gretzinger' <[agretzinger@kreagermitchell.com](mailto:agretzinger@kreagermitchell.com)>; 'Todd Furniss' <[tfurniss@glendontodd.com](mailto:tfurniss@glendontodd.com)>; 'Mary Hatcher' <[mhatcher@glendontodd.com](mailto:mhatcher@glendontodd.com)>

**Cc:** 'Ray Battaglia' <[rbattaglia@outlook.com](mailto:rbattaglia@outlook.com)>; 'Herbold, Scott E. @ San Antonio - IP' <[Scott.Herbold@cbre.com](mailto:Scott.Herbold@cbre.com)>

**Subject:** RE: Forest Park Medical Center, Austin, Texas

Congratulations Team. What an amazing accomplishment by all.

Todd and Mary – you two are machines and your leadership on this was amazing

Scott – great job guiding the process, it was an honor to be your partner on this

Ray and Alan – your expertise in helping us navigate one of the more complicated transactions out there, ripe with agendas of all sorts, was amazing to witness

While I know we still have partnership things to tend to and there remains work to be done, I believe it is appropriate to recognize that this day is surely a good day for the team and those whom we serve.

Thank you for the opportunity to serve along your side.

Blessings,  
Harry

**Harry Lake**

**CEO**

**Koa Partners**

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---

**From:** Alan Gretzinger [<mailto:agretzinger@kreagermitchell.com>]

**Sent:** Tuesday, May 17, 2016 5:22 PM

**To:** 'Todd Furniss' <[tfurniss@glendontodd.com](mailto:tfurniss@glendontodd.com)>; 'Mary Hatcher' <[mhatcher@glendontodd.com](mailto:mhatcher@glendontodd.com)>

**Cc:** 'Ray Battaglia' <[rbattaglia@outlook.com](mailto:rbattaglia@outlook.com)>; 'Herbold, Scott E. @ San Antonio - IP' <[Scott.Herbold@cbre.com](mailto:Scott.Herbold@cbre.com)>;

Harry Lake <[hlake@koapartners.com](mailto:hlake@koapartners.com)>

**Subject:** FW: Forest Park Medical Center, Austin, Texas

All,

Please see the message from First American below. Unfortunately the wire to FPMC was reportedly delayed in First American's internal approval process, and may not be received until tomorrow morning. I will send circulate the Fed. Reference number once available; if the wire is not received, please let me know. Otherwise, the transaction is now considered closed.

Thanks,  
Alan

**Alan J. Gretzinger**

7373 Broadway, Suite 500  
San Antonio, Texas 78209  
Direct: (210) 283-6244  
[agretzinger@kreagermitchell.com](mailto:agretzinger@kreagermitchell.com)

**KreagerMitchell**

---

**From:** Bost, Rita [<mailto:rbost@firstam.com>]  
**Sent:** Tuesday, May 17, 2016 4:48 PM  
**To:** 'Alan Gretzinger' ([agretzinger@kreagermitchell.com](mailto:agretzinger@kreagermitchell.com)); Christy Pennington  
**Cc:** Jeff Calk; [Ron.Woods@hcahealthcare.com](mailto:Ron.Woods@hcahealthcare.com); 'Ray Battaglia' ([rbattaglia@outlook.com](mailto:rbattaglia@outlook.com)); Slone, Carol; [bgleiser@frostbank.com](mailto:bgleiser@frostbank.com); Charles Baum ([cbaum@qslwm.com](mailto:cbaum@qslwm.com))  
**Subject:** Forest Park Medical Center, Austin, Texas

This transaction is now closed, the deed has been submitted for recording and the following wires have been sent:

Confirmation Number	Amount	Payee
20160517L1B78J1C004026	05-17-2016 58,980,354.06	Frost Bank
20160517L1B78J1C004027	05-17-2016 1,246,198.58	Frost Bank
20160517L1B78J1C004034	05-17-2016 1,150,000.00	CBRE, Inc.
20160517L1B78J1C004032	05-17-2016 575,000.00	KOA Brokerage, LLC
20160517L1B78J1C004033	05-17-2016 4,950.00	Pixis, LLC
20160517L1B78J1C004035	05-17-2016 800.00	The Planning & Zoning Resource Company

---

**Rita Bost**  
Senior Title & Escrow Officer



First American Title Insurance Company

National Commercial Services  
6363 Poplar Avenue, Suite 434, Memphis, Tennessee 38119  
Direct: 901-818-6595  
Fax: 901-680-9158  
Tollfree: 800-851-1757 ext 6595  
Email: [rbost@firstam.com](mailto:rbost@firstam.com)

A member of the [First American Financial Corporation](#)  
family of companies | [NYSE: FAF](#)

\*\*\*\*\*

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Thank you.~

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FAFLD

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<http://www.crowholdingscapital.com/email-disclaimer>.

Message

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**From:** Harry Lake [hlake@koapartners.com]  
**Sent:** 5/17/2016 7:24:35 AM  
**To:** Ray Battaglia [rbattaglia@outlook.com]  
**CC:** Todd Furniss [/O=OEXCH030/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=Tfurniss@GlendonTodd059]; Mary Hatcher [/O=OEXCH030/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=Mhatcher@GlendonTodd059]; 'First Vice President Scott Herbold' [Scott.Herbold@cbre.com]  
**Subject:** RE: Emailing - [Compare New] ENTERED - Order Approving Sale to St. David's.pdf

Great job Ray! Thanks Todd, Mary, and Scott for the heroic effort to get to this point. The investors are going to be very excited once it is official.

Ray - 

Please let me know if you need anything from me. We can coordinate keys transfer, etc on site at any time.

Thanks,

Harry

**Harry Lake**

**CEO**

**Koa Partners**

4144 N Central Expy, Suite 510

Dallas, TX 75204

Direct: (469) 802-0084

Cell: (310) 691-3406

Toll-Free: (855) KOA-2407





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**From:** Ray Battaglia [<mailto:rbattagliaw@outlook.com>]

**Sent:** Tuesday, May 17, 2016 7:13 AM

**To:** John C. Tishler <[john.tishler@wallerlaw.com](mailto:john.tishler@wallerlaw.com)>; 'Eric Taube' <[Eric.Taube@wallerlaw.com](mailto:Eric.Taube@wallerlaw.com)>; 'Tyler Layne' <[Tyler.Layne@wallerlaw.com](mailto:Tyler.Layne@wallerlaw.com)>; Alan Gretzinger <[agretzinger@kreagermitchell.com](mailto:agretzinger@kreagermitchell.com)>; 'Todd Furniss' <[TFurniss@glendonTodd.com](mailto:TFurniss@glendonTodd.com)>; Mary Hatcher <[mhatcher@glendontodd.com](mailto:mhatcher@glendontodd.com)>; FPMC Austin Realty Partners, LP <[astewart@glendontodd.com](mailto:astewart@glendontodd.com)>; Harry Lake <[hlake@koapartners.com](mailto:hlake@koapartners.com)>; 'Herbold, Scott E. @ San Antonio - IP' <[Scott.Herbold@cbre.com](mailto:Scott.Herbold@cbre.com)>

**Subject:** Emailing - [Compare New] ENTERED - Order Approving Sale to St. David's.pdf

The attached order is redlined using Adobe's comparison tool. If this is accurate, the changes are not substantial.

RAY BATTAGLIA

LAW OFFICES OF RAY BATTAGLIA, PLLC

210 601-9405

[rbattagliaw@outlook.com](mailto:rbattagliaw@outlook.com)

**From:** Harry Lake <hlake@koapartners.com>  
**Sent:** Tuesday, May 17, 2016 5:41 PM  
**To:** Carlos Rainwater  
**Subject:** FW: Forest Park Medical Center, Austin, Texas

Fyi -

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Congratulations Team. What an amazing accomplishment by all.

Todd and Mary – you two are machines and your leadership on this was amazing

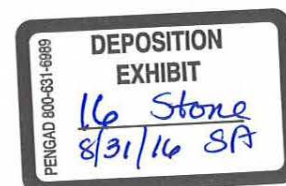
Scott – great job guiding the process, it was an honor to be your partner on this

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Thank you for the opportunity to serve along your side.

Blessings,



Harry

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Harry Lake <[hlake@koapartners.com](mailto:hlake@koapartners.com)>

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Direct: (210) 283-6244

[agretzinger@kreagermitchell.com](mailto:agretzinger@kreagermitchell.com)

**KreagerMitchell**

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**To:** 'Alan Gretzinger' ([agretzinger@kreagermitchell.com](mailto:agretzinger@kreagermitchell.com)); Christy Pennington

**Cc:** Jeff Calk; Ron.Woods@hcahealthcare.com; 'Ray Battaglia' ([rbattaglia@outlook.com](mailto:rbattaglia@outlook.com)); Slone, Carol;

[bgleiser@frostbank.com](mailto:bgleiser@frostbank.com); Charles Baum ([cbaum@qslwm.com](mailto:cbaum@qslwm.com))

**Subject:** Forest Park Medical Center, Austin, Texas

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20160517L1B78J1C004032	05-17-2016 575,000.00	KOA Brokerage, LLC
20160517L1B78J1C004033	05-17-2016 4,950.00	Pixis, LLC
20160517L1B78J1C004035	05-17-2016 800.00	The Planning & Zoning Resource Company

**Rita Bost**  
Senior Title & Escrow Officer



First American Title Insurance Company

National Commercial Services  
6363 Poplar Avenue, Suite 434, Memphis, Tennessee 38119  
Direct: 901-818-6595  
Fax: 901-680-9158  
Tollfree: 800-851-1757 ext 6595  
Email: [rbost@firstam.com](mailto:rbost@firstam.com)

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Thank you.~

\*\*\*\*\*

FAFLD

**AUSTIN RETURNS**

FPMC Austin Realty Partners, LP	HCA #2	Mayco	HCA #1	Winstead	Med-Equities
<i>LOI Received</i>	<i>4/20/2016</i>	<i>12/29/2015</i>	<i>3/24/2016</i>	<i>3/4/2016</i>	<i>9/4/2015</i>
<i>Closing Date</i>	<i>5/16/2016</i>				
<b>Sales Price</b>	<b>\$ 115,000,000.00</b>	<b>\$ 104,000,000.00</b>	<b>\$ 65,000,000.00</b>	<b>\$ 96,500,000.00</b>	<b>\$ 95,000,000.00</b>
Less: Debt	\$ 60,226,533.00	\$ 60,226,533.00	\$ 60,226,533.00	\$ 60,226,533.00	\$ 60,226,533.00
Less: Transaction Costs	\$ 2,651,768.00	\$ 2,651,768.00	\$ 2,651,768.00	\$ 2,651,768.00	\$ 2,651,768.00
Less: Unsecured Claims	\$ 1,275,318.00	\$ 1,275,318.00	\$ 1,275,318.00	\$ 1,275,318.00	\$ 1,275,318.00
Less: Substantial Contribution	\$ 2,875,000.00		\$ -	\$ -	\$ -
<b>Cash Available for Equity</b>	<b>\$ 47,971,362.00</b>	<b>\$ 39,846,381.00</b>	<b>\$ 846,381.00</b>	<b>\$ 32,346,362.00</b>	<b>\$ 30,846,362.00</b>
<i>LP Cash on Cash Return</i>	<i>1.47x</i>	<i>1.31x</i>	<i>0.03x</i>	<i>1.08x</i>	<i>1.03x</i>
LP Distributions	\$ 44,085,343.68	\$ 39,210,344.00	\$ 846,381.00	\$ 32,346,362.00	\$ 30,846,362.00
<b>Crow Holdings Distributions</b>					
Original Contribution	\$ 13,500,000.00	\$ 13,500,000.00	\$ 380,863.00	\$ 13,500,000.00	\$ 13,500,000.00
Preferred Return	\$ 3,715,342.37	\$ 3,715,342.00	\$ -	\$ 1,055,863.00	\$ 380,863.00
Promote	\$ 2,623,062.29	\$ 429,312.00	\$ -	\$ -	\$ -
<b>Total</b>	<b>\$ 19,838,404.66</b>	<b>\$ 17,644,655.00</b>	<b>\$ 380,863.00</b>	<b>\$ 14,555,863.00</b>	<b>\$ 13,880,863.00</b>

of 16  
**CROW DISTRIBUTIONS**

<b>Crow Summary</b>	
% of LP	45.00%
Equity	13,500,000.00
Pref	3,715,342.37
Promote	2,623,062.29
	<u>19,838,404.66</u>

Exhibit 51 Submitted to the Court via CD.

Exhibit 52 Submitted to the Court via CD.